

# PERS EMPLOYER ADVISORY GROUP MEETING

NOTES

DATE: 07/21/2017 TIME: 10:00AM-11:50PM

PERS HEADQUARTERS

<b>TYPE OF MEETING</b>	PERS EMPLOYER ADVISORY GROUP MEETING
<b>FACILITATOR</b>	Sam Paris
<b>NOTE TAKER</b>	Katie Brogan
<b>CALL IN NUMBER</b>	(877)411-9748; participant code: 510922
<b>ATTENDEES</b>	<p><b>Present:</b> Debra Grabler, Tualatin Valley Fire &amp; Rescue; Donna Chastain, Oregon State University; Michelle Morrison, Hillsboro School District; Nancy Brewer, City of Corvallis; Shauna Tobiasson, Department of Administrative Services</p> <p><b>PERS:</b> Alison Burman; Elaine King; Dean Carson; Debra Hembree; Laurel Galego; Marjorie Taylor; Neil Jones; Stephanie Vaughn; Steve Rodeman</p> <p><b>Guests:</b> Alison Chan, City of Medford; James Young, Portland Public Schools</p> <p><b>Phone:</b> Carol Samuels, Piper Jaffray Companies; Elizabeth McCann, City of Gresham; Lance Colley, City of Roseburg</p>

**TIME: 10:00 – 10:02      TOPIC: WELCOME      SAM PARIS**

<b>PURPOSE/GOAL</b>	Introductions
Sam Paris welcomed everyone to the PERS Employer Advisory Group meeting.	

**TIME: 10:02 – 10:25      LEGISLATIVE UPDATE      MARJORIE TAYLOR**

<b>PURPOSE/GOAL</b>	Discuss approved bills that impact PERS.
<p>Marjorie provided a list of the approved bills and gave a brief summary of how each one impacts PERS. She explained that although PERS reform was a topic of discussion only seven bills were approved that have a relatively small impact on the plan or a limited group of members.</p> <p>Marjorie recommended looking at the Floor letter (-30 amendment) located in the materials section of SB 1067. <a href="https://olis.leg.state.or.us/liz/2017R1/Downloads/FloorLetter/2215">https://olis.leg.state.or.us/liz/2017R1/Downloads/FloorLetter/2215</a></p>	

**TIME: 10:25 – 10:50      SB 1067: SIDE ACCOUNTS      DEBRA HEMBREE**

<b>PURPOSE/GOAL</b>	Discussion of side accounts.
<p>The rule making process is underway. Employers will be able to begin making deposits to existing side accounts with no minimum deposit. If you do not need immediate rate relief this will be an easier way to make deposits because there will be no need for an actuarial calculation.</p> <p>The change in 1067 helps employers who already have a side account. There will still be a minimum to open a side account. PERS is looking for specific input from employers about what they would like as a minimum payment since we've been told the current minimum is too high. The current minimum lump sum payment</p>	

amount is the lesser of \$1 million or 25% of the employer’s UAL. Debra gave some examples of what employers might need to pay as a minimum. For about two-thirds of employers, the current minimum is under \$1 million, but feedback from the group suggested that many employers don’t know that. PERS will include information on the lump-sum payment process and current minimum payment amounts in an upcoming employer newsletter.

Employers can look at the Executive Summary section of their most recent valuation report to estimate their UAL and the minimum payment they might expect under the current rules. There’s also a complete report of all employer UALs from the most recent valuation on the PERS webpage, under the [Oregon Transparency link](#).

For employers who already have side accounts we are looking at no minimum deposit and no actuarial calculation for an additional deposit to that side account where the employer isn’t looking for an immediate rate change. Employers that don’t currently have a side account, or that wish to receive immediate rate relief for a new deposit will need to follow the normal procedures for establishing a side account, including a minimum payment amount, actuarial calculation, and separate administrative fees.

The law has just passed so discussions are ongoing. The public comment period for the rule may be extended. We request that employers provide feedback by August 18, 2017. The September board meeting is the target for adoption.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Provide feedback to Debra Hembree on what the new side account minimum should be by 8/18.	EAG Members	8/18/17

**TIME: 10:50 – 11:10**

**DATA RELIABILITY: OPEN EMPLOYMENT SEGMENTS**

**ELAINE KING**

PURPOSE/GOAL	Gather feedback on the data issue of open employment segments.
<p>Elaine King is leading the Data Reliability Initiative at PERS. The goal is to get data corrected so employees have accurate information upon retirement. 47,574 employees have been reported to PERS with open employment segments and no salary or hours reported since January 2017.</p> <p>Elaine provided a handout which outlined potential impacts on employers and on members of these open segments. She asked the employers to share their thoughts on the list of potential impacts of these open segments. For clarification these employees may or may not have met the PERS membership requirements, the handout provided at the meeting may have been misleading in this regard and has been corrected in the meeting materials.</p> <p>The group discussed the list of impacts. The group seemed in agreement that addressing these open segments when the member retires could create more work. Some employers expressed preference that their data should continue to match PERS data. The schools have the bulk of these open segments.</p> <p>PERS would like to get a workgroup started and develop a set of rules and guidelines regarding this issue. We could reach out to the EAG group or we could do a more targeted group.</p> <p>Meeting attendees shared a few ideas to improve EDX and make it more user friendly. Including lifting the 85% good data rule or allowing everything that is correct to post. Limits of the system were also discussed.</p> <p>Email <a href="mailto:elaine.king@pers.state.or.us">elaine.king@pers.state.or.us</a> or <a href="mailto:alison.burman@pers.state.or.us">alison.burman@pers.state.or.us</a> with any thoughts, ideas or questions.</p>	

**TIME: 11:10 – 11:15 PERS WEBSITE FEEDBACK****DEAN CARSON**

<b>PURPOSE/GOAL</b>	Request website feedback.
<p>Dean asked the group to provide feedback on the new PERS website by emailing <a href="mailto:Employer_Advisory_Group@pers.state.or.us">Employer Advisory Group@pers.state.or.us</a>. GovDelivery will allow members to sign up to receive targeted emails based on their interests from PERS, it is expected to launch in August.</p> <p>A member satisfaction survey will go out in August. Employers will be encouraged to share it with employees. 1,400 retirees and 108 active members filled out the member survey last year.</p>	

**TIME: 11:15 – 11:25 OPSRP CONTRIBUTION START DATE CLEANUP UPDATE****SAM PARIS**

<b>PURPOSE/GOAL</b>	Provide the EAG an update and answer questions.
<p>The tracking tool for this project was delayed slightly due to the hiring freeze but we are back on track. As it stands now that money was earmarked for the cleanup project so it will still be done through the contingency reserve. The next phase will be working with employers. The target start date for the tool is 9/30. PERS is working on the tool so the employer would receive notification of the contingency payment before it posts.</p>	

**TIME: 11:25 – 11:35 ADDITIONAL ITEMS****SAM PARIS**

<b>PURPOSE/GOAL</b>	Roundtable discussion.
<p>LOM purchases were discussed. The information will be in Perspectives again in August. Members that have questions should check OMS or call the Member Information Center.</p> <p>The 2018 board meeting dates have been moved to 10:00am the first Friday of the even months. The actuarial presentation will happen on Friday and we will adopt a new rate.</p>	

<b>Next Meeting Facilitator:</b> Sam Paris
<b>Next Meeting Date/ Time:</b> October 20, 2017 10:00 AM – 12:00 PM